DOCUMENT RESUME

ED 044 127 LI 002 158

AUTHOR	Woods, Julia A.
TITLE	The Periodical Bank Through 1969 and the First Fiscal Year Annual Report. Revised Edition.
INSTITUTION	Associated Colleges of the Midwest, Chicago, Ill.
PUB DATE	Aug 70
NOTE	55p.
EDRS PRICE	EDRS Price MF-$0.25 HC-$2.85
DESCRIPTORS	*College Libraries, Cooperative Programs, *Library Collections, *Library Cooperation, Library Networks, *Periodicals, *Shared Services
IDENTIFIERS	*Periodical Bank

ABSTRACT

Twelve colleges incorporated under the Associated Colleges of the Midwest (ACM), began a library cooperative program to establish a Periodical Bank. The prime purpose of the Bank is to provide college students and faculty access to a larger number of periodicals than could be provided by their individual libraries. Under the proposed plan, each ACM library was to sell paper backfiles up to a total of $50,000 which would be assigned to the Service Library and Periodical Bank, $440,000 of the total $500,000 would be used to purchase commercially available periodical backfiles in microforms. The libraries, on the average, have doubled their periodical holdings through the Bank, at a fraction of the cost each would usually incur for such acquisitions. (MF)

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THE PERIODICAL BANK

THROUGH 1969 AND THE

FIRST FISCAL YEAR ANNUAL REPORT

LI 002 158

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ACM CENTRAL LIBRARY
March 30, 1970

REVISED EDITION
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August 1970

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BACKGROUND

The Associated Colleges of the Midwest, incorporated under the laws of the State of Illinois in 1958, consists of 12 colleges located in the five states of Illinois, Iowa, Wisconsin, Minnesota and Colorado. Operating as a consortium of ten colleges for its first eleven years, two more, Macalester and Colorado, were added in July, 1969. The original ten - Beloit, Carleton, Coe, Cornell, Grinnell, Knox, Lawrence, Monmouth, Ripon and St. Olaf - began their first major library cooperative program with the appointment of a Director of Library Research and Development in July, 1967.

Bernard E. Richardson, then the librarian at Cornell College, accepted the position at the request of the ACM Board of Directors. It was his task to recommend ways of library cooperation or methods of individual library operation which would increase the libraries' effectiveness with respect to finances and faculty and student needs. He was, in effect, given carte blanche to come up with an operational idea.

Prior to his appointment the librarians of the ACM Colleges had held regular meetings where they discussed possible ways to cooperate. One project emerging from these meetings was a survey of their present

cataloging procedures. The result, however, was nothing more than a summary sheet showing these procedures, from which nothing developed. Shortly after this Mr. Richardson spent two months at the Argonne National Laboratory to familiarize himself with its computer activities in order to make a decision on the feasibility of a central processing system for the ten member libraries. But it wasn't until he relinquished his position at Cornell and began devoting full time to the consortium that the idea finally came for the Periodical Bank. He began with a nationwide tour of about 85 libraries and library consortia, concluding that most of their cooperation was as yet on paper. He visited the ACM libraries in an attempt to stir up interest in cooperative projects, but felt he was accomplishing very little. Finally, in a last ditch effort, he presented the idea of a periodical bank to Blair Stewart, then president of ACM, but felt pessimistic about its acceptance on the campuses. Mr. Stewart wanted to give it a try. Based on his experience in setting up a cooperative application system for the member colleges, where the Board of Directors agreed to give their approval if six of the ten members accepted, he presented the periodical bank concept to the Board with the same provision. At the Board of Directors meeting on January 15, 1968, the Board agreed to authorize the establishment of a central periodical bank, if six libraries signified their decision to participate by April 1st. All ten members did agree to participate within a few weeks after the board meeting.

THE PERIODICAL BANK AS PROPOSED

The advantages of a Periodical Bank to each member of ACM were clear. The primary question in the minds of all was how was the operation to be funded. Mr. Richardson, in a Memorandum to Presidents, Deans and Librarians, dated January 18, 1968 stated:

> The Periodical Bank auxiliary collection would be established by a $500,000 initial fund provided through the sale by each ACM library of paper backfiles to a total of $50,000 which would be assigned to the Service Library and Periodical Bank. $440,000 would be used to purchase commercially available periodical backfiles in microforms. (A portion of any college's $50,000 contribution could be in kind, i.e. in periodical microforms now owned and which the Bank would accept at full purchase price. Only microfilm runs of The New York Times would be excluded by the Bank.) Because of the difference between the price received for a paper file and the cost of a microfilm edition of that title and because only one microform edition would be purchased to service all ten colleges, a massive extension of research materials would be possible. A minimum starting collection of 2,000 full-run microform backfiles is a conservative calculation. $60,000 of the original funding would be reserved for first year operating expenses (space rental, equipment purchase, shelving, furniture, staffing, full TWX installation and monthly rental costs for all colleges, etc.).
>
> To forestall panic engendered by a vision of denuded periodical shelves, this calculation may calm. From one of the smaller collections in ACM which lists 600 titles held, a selection of 15% of the titles listed has a current market value in excess of $100,000. Using this selection as a starter, it should be simple to extract titles considered essential for retention, add titles which everyone agrees are useless as research tools, and arbitrate a list which can return a meager $50,000.

Two years from the date of this memorandum, January, 1970, the following summary of the members' accounts toward making this $50,000 a reality prevailed:

Paper and Film Credit	Paper Sold	Total Towards $50,000	Bids Received	Amount Short of $50,000
a	b	c=a+b	f	g=50,000 - (c+f)
$ 5,598	$ 1,075	$ 6,673	$ 6,560	$ 36,767
24,319	25	24,344	3,600	22,056
1,920	1,800	3,720	40,225	6,055
21,986	8,138	30,124	4,530	15,346
17,755	-	17,755	7,700	24,545
439	12,025	12,464	-	37,536
9,602	40,398	50,000	-	-
6,090	8,820	14,910	14,100	20,990
7,279	22,615	29,894	-	20,106
3,410	45	3,455	-	46,545
$ 98,398	$ 94,941	$ 193,339	$ 76,715	$ 229,946

Only one of the ten colleges has fulfilled the original commitment of $50,000; one has less than $10,000 to go; another has under $20,000. It is apparent from these data that the original concept, that "it should be simple to...arbitrate a list which can return a meager $50,000," contained a flaw somewhere. It perhaps isn't the fact that the figure was set at $50,000 that is the problem, for if one library can make it the others should at least be able to make a better showing than they have. The real problem seems to lie with the individual librarian and his faculty. What one librarian can accomplish another can't, what one faculty will relinquish another won't. I think Mr. Richardson's figure of $50,000 was reasonable, but the number of titles needed and the ease of the task were both stated in overly optimistic terms. It took 21 months, until

September, 1969, for one library to sell about 250 titles to reach its $50,000. This was more than 15% of their periodical collection, close to 25%. Timing thus far, however, has not been a problem because of a $270,000 grant from the Office of Education, for the first fiscal year of operation; $40,000 from the same source for the second fiscal year; and a three-year grant of $159,400 for fiscal years 1969-70 and following from the National Science Foundation. Without these grants it is clear what would have been the fate of the Periodical Bank.

The Bank was saved, therefore, from having to rely on the sale of periodical backfiles to become operational with a working collection. Nevertheless, it is still imperative that these periodical backfiles are sold, not only for each member library to fulfill its original commitment, but to follow through with one of the purposes of the Bank; namely, to take the periodical collection in each member library down to a core collection and by so doing cut yearly costs on subscriptions, acquisitions, circulation and maintenance. Only by doing this will the cost of the Bank to each college be justified. From a study made by the Center for Research Libraries[1]:

> At the midrange of costs found in the four libraries studied, and for a serial title with an annual subscription price of $20 (the average price per title found in the study), unless the title is used more than about six times per year, it is less expensive for the library to acquire a photocopy of articles from it when needed than to maintain its own subscription and file....
>
> The saving to the library in borrowing rather than subscribing to a title used an average of only once a year amounts to about $50 per title per year....

The study goes on to point out that there is a use cost that must be considered in these figures before any title is given up, and currently under

[1]Gordon Williams, Library Cost Models: Owning Versus Borrowing Serial Publications (Chicago, Illinois: Center for Research Libraries, 1968), p.iv.

the present national interlibrary loan system this cost accumulates in time taken to secure the article from another library. Thus, without some rapid access system the user cost is too high to warrant such extensive interlibrary activity. With the Periodical Bank's 24 hour service, however, this user cost is at the low level recommended by the study. Thus our ACM colleges are unique in having made available to them this large collection of periodicals which would by no means be available to them in any other way at such a relatively low cost.

The current periodical subscriptions for the year 1969 of the member libraries ranges from a low of 530 titles to a high of 1,030, with a mean of 756. The Periodical Bank held 1,458 current subscriptions at the end of 1969, its first complete operational year. Although duplication between the member libraries and the Periodical Bank varies with each library because of the system used to get the Bank's core collection, the average increase is 702 titles, doubling or nearly doubling the collections of eight of the member libraries. Figuring an average of $19 per current subscription (in fact the average subscription cost per title in the Periodical Bank), these 702 titles would cost each library $13,338 to add to its collection. Since new titles must be acquisitioned and cataloged, this $19 cost is a bare minimum. From the Center for Research Libraries study: "the initial cost of acquiring a serial title, namely the costs of acquisition and cataloging, varied (with estimated overhead) from $53 to $72. These costs include such activities as bibliographic checking of requests,

preparing orders, answering inquiries, other communications with requestors, typing and bookkeeping activities."[2] Taking the low figure of $53 and adding the average subscription cost of $19 to it the total cost per title for the initial year of a subscription is $72. Thus the total cost for acquiring these serial titles for our average library would have been $50,544. This is $43,835 more than what each member actually paid for the first fiscal year of the Periodical Bank's operation.

Acquiring a periodical title is one cost. Getting the backfile and maintaining it each year is yet another. From the same study, "the continuing costs of subscriptions and maintenance labor over the period of one year (with estimated overhead) ranged between $29 and $46. These costs do not include the one-time costs of acquisition and cataloging incurred in the first year. Also excluded are storage costs, which depend upon the number of times circulated."[3] Again, using the low figure of $29 per title, the cost for our average college library to maintain the current subscription to these 702 titles would be $20,358 annually, which is approximately $12,000 more than each college will actually pay to maintain the Periodical Bank operation for the 1970-71 fiscal year, which includes all the services of the Bank (cost of copy, mailing and table of contents services). Remember that these cost figures refer only to one year of a title carried on current subscription. They do not include purchase of backfiles and their storage, nor do they include storage on the 285 titles which the Bank carries that are no longer active.

[2] Ibid., p.13

[3] Ibid., p.13

PROPOSED YEARLY OPERATING EXPENSES

Mr. Richardson, in his January 18, 1968 Memorandum mentioned above, summarized what he considered to be the possible annual assessment against each college after the initial one-time costs were out of the way:

> Without experience in the amount of potential use, it is difficult to estimate a direct assessment to be made for each college to support its printout program; however, some notion can be provided now. Using the equipment presently favored, materials' cost for a printout from microform is .03¢ per page. If a college paid this cost only and requests resulted in 10,000 pages of material per year, that minimal cost would be $300 for this service only. If an effort is made to amortize initial costs for space rental, equipment, personnel, postage, etc., ($300 X 10 colleges + $60,000 for first year establishment), $63,000 would mean an assessment of $6,300 per college, which is unnecessary and unrealistic as $60,000 is to be reserved from original contributions to cover this largely non-recurring expense (equipment, shelving, furniture is included).
>
> I refer you to item 4, page 4 of the Report on the Librarians meeting of January 5, report dated January 8: Each college would make a deposit (preferably obtained through the sales of back-files) of a minimum of $1,000, which would serve as an advance against which printout fees would be charged. It is now proposed that the printout charge be covered by an annual blanket fee rather than a per page charge.
>
> The logic behind the arrival at this figure is that the variables make it hazardous to attempt to defend any specific figure; e.g. one college might request 75,000 pages a year and another 7,500, use might dictate the addition of a second clerk very soon (hopefully), once it is operable, the Service Library would enjoy a substantial reduction in the salary of the librarian in charge.
>
> As soon as it began to function, use and cost statistics would be generated. Based on these statistics, accurate and defensible service levies could be made, could be supported and could be evaluated and revised not less frequently than annually.
>
> Similarly, pricing electrostatic (Xerox type) copies from current paper editions is chancy with no cost and volume statistics. I continue to recommend the suggestion in paragraph 2, page 3 of my

memo dated December 28, 1967: a portion of the $20,000 should be reserved to absorb first year electrostatic copy and mailing costs. On the strength of statistics, a second year assessment could be made realistically or, if phenomenal use dictated, the matter could be reconsidered after a brief period of operation.

Any pricing schedule for a potential sale of this service to other libraries would cover all investments and costs plus a reasonable profit for the service library.

To summarize a possible annual assessment against each college for support and assuming:

A. No service library income from 10% of backfile sales subsequent to initial funding. (The proposed ACM fee for serving as agent for sales).

B. No income from sale of service to libraries outside ACM.

C. That each college receives 18,000 non-duplicating Xerox copies of Table of Contents pages.

D. That each college receives 50,000 pages of microform printouts.

E. That each college receives 300 mailings a year.

F. That rent is $3,600 annually.

G. That staff costs are $16,000 annually.

H. That no per page costs were recouped in any way.

I. And that incidental office expenses were a monumental $5,650 a year --

Each college would be required to contribute $5,000 annual support.

These figures were arrived at by inflating every cost to encompass the most pessimistic and disastrous coincidences which could beset the venture. It should be clearly understood that after the first year, the Service Library and Periodical Bank is still conceived to be an income-generating operation.

Putting a dollar value onto these items the total proposed operating budget for continued operation came to $45,250. This excludes the salary of the director, which, in Mr. Richardson's case was $19,000. This salary was originally conceived to be an ACM expense, not a Periodical Bank expense. Thus each college would pay annually $4,525, plus an estimated $1,000 annually for copy costs, or a total of $5,525. This, it was maintained, was an inflated figure, encompassing "the most pessimistic and disastrous coincidences which could beset the venture."

The precise points where these figures are misleading are:

a. Allotting $20,000 annually for 1,500 current subscriptions, plus assuming there would be a portion left over which could be used to cover copy costs. In fact 1,500 current subscriptions at $19 per title (the actual cost ACM paid for its first year), comes to $28,500. This does not leave an excess for copy costs, in fact it is $8,500 in excess of the assumed current subscription cost.

b. It was assumed that copy costs would be $ .03 per copy. The machine proposed at the time was the 3M Reader-Printer. Copy cost for this machine is $ .09 per page. Subsequently the Xerox Microprinter has become available. The copy costs on this machine vary from $ .05 down to $ .03 depending upon volume.

c. Staff costs were put at $16,000 annually. This excluded Mr. Richardson's salary of $19,000. Assuming no National Science Foundation grant, under which a librarian was hired, the staff costs would run approximately $36,000. This includes the director, an assistant and three clericals.

a minimum staff to handle the volume the Bank turns out each day. The idea proposed that a "super-clerk" could eventually run the Periodical Bank operation was without basis. It requires one full-time and very sophisticated clerical to handle just the acquisitions section of the operation. Another clerk needs to spend at least half of her day keeping statistics (which now has been somewhat streamlined because of the COSIP grant) and checking in our periodicals, with the constant problems of title changes and claims. This leaves two clerks to handle the daily volume of orders, which, at this writing is at 80 per day. There is clearly too much here for a "super-clerk", this is not to mention the correspondence with the ACM librarians, the selling of periodicals, the daily shelving of periodicals and stack maintenance, holdings list production and other incidentals apparently not foreseen. It should be added, though, that all this accures from the success the Bank is experiencing.

d. Rent for the Periodical Bank facility is $8,570 per year, not the proposed $3,600. Insurance is $733, not figured in the proposal.

e. Holdings list production was not figured in the original costs, nor was travel for the ACM Library Board meetings and the director's travel.

f. There was no money figured in the original proposal for additional backfile purchases or necessary reference items, some of which are maintained on an annual subscription basis.

PRE-OPERATIONAL PHASE - July - December 1968

The preliminary phase, prior to actual operation of the Periodical Bank, began July 15, 1968, with Richard Lyders assuming the Directorship. The first five months were spent getting familiar with the project as it

had developed to that time, readying periodical lists for sale and entry into the Periodical Bank holdings, finalizing negotiations on periodical sale lists already out for bids, drawing up a budget for fiscal year 1968-69, checking and purchasing equipment and other items necessary to sustain a periodical collection, hiring a staff, setting up room layout for construction activities, visiting all ten libraries to discuss their specific situations with regard to this venture - to list but the more outstanding activitites. The last month before actually sending out our first filled request was spent checking-in and shelving the first portion of the many boxes of periodicals and microfilm received for the collection.

Location and Equipment

There was considerable discussion prior to July 15, 1968 as to where to locate the Bank. It was resolved finally to a choice between a Chicago location adjacent to the ACM offices in the Newberry Library, and a possible site elsewhere in the Chicago area. Earlier consideration was also given to locating the Bank at one of the member libraries or in some city outside Chicago; central, if possible, to all the member libraries.

The following five factors were put down as having been considered in deciding the location for the Periodical Bank:

1. Speed of mailing from the Bank to the various campuses.
2. Cost of maintaining the Bank (rental, salaries of bank personnel, moving expenses of bank personnel to the site of the bank, cost of transport of the bank to its permanent location (if it is to be relocated)

after the initial shakedown period, etc.);

3. Safety of the contents of the Bank: (adequate fire and vandalism protection, temperature and humidity control, etc.);

4. The problem of the type of immediate supervision of the Bank both now and when it becomes a routine "mail-order" operation. For example, if the bank is to be located away from one of our ten campuses, or from the ACM Chicago office, will it have the immediate supervision of a trained librarian, or of a competent technician, or of both.

Would it be advisable to locate the bank near an ACM campus or another ACM activity so that adequate professional supervision can be continually maintained, in addition to the necessary technical supervision, both during the initial and the later stages of the Bank's development?

5. The relationship of the Bank to other library services. If library services of other types than the Bank are to be added progressively to the ACM library program, should the Bank find its ultimate home near the site of such potential services? Where will those services tend to develop -- on an ACM campus, in Chicago, in Dubuque, Iowa?

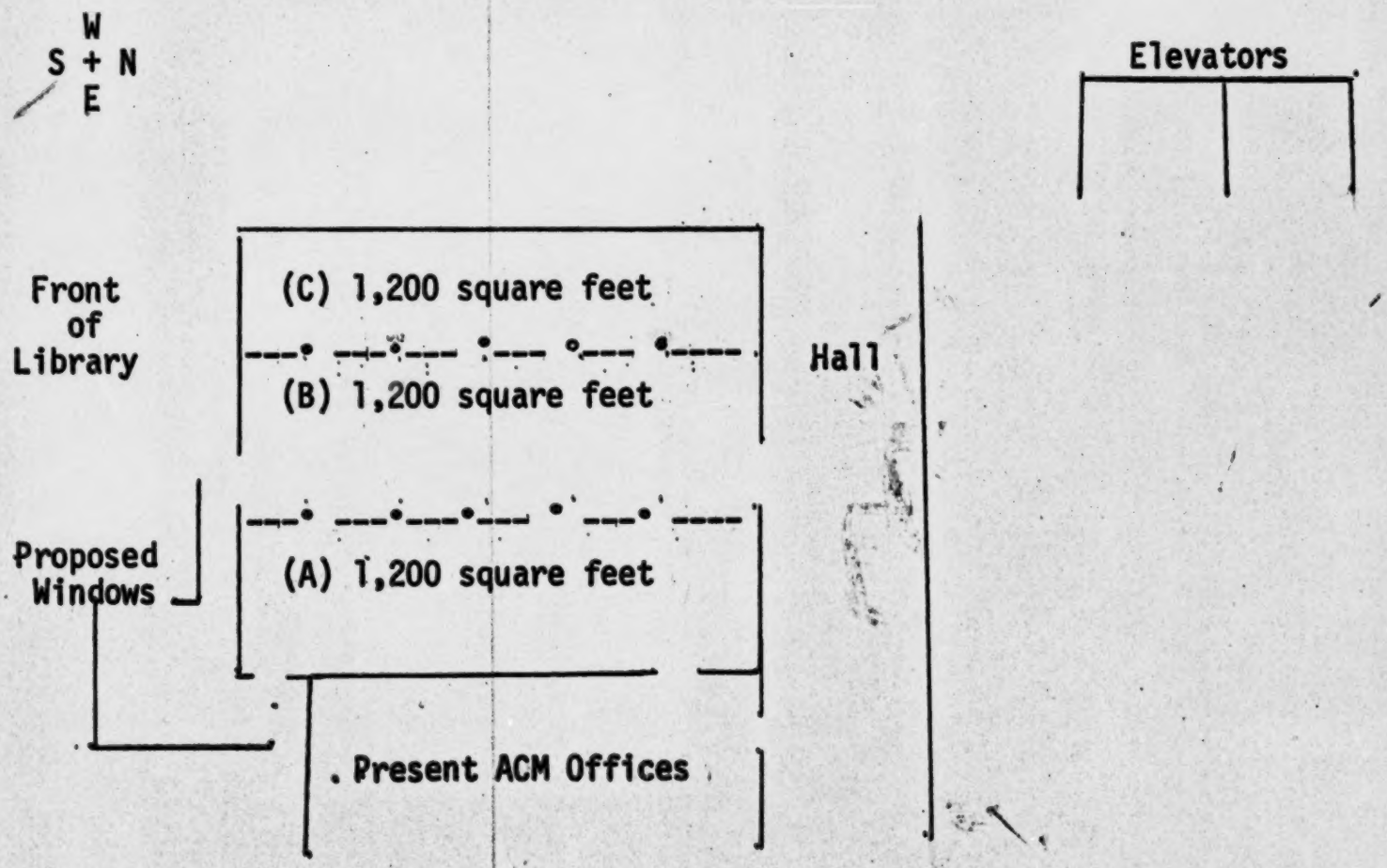
At their meeting on April 19, 1968, the ACM Librarians voted that they preferred Chicago as the site for the Bank and that Bernard Richardson, Blair Stewart and Sumner Hayward be given full responsibility for selecting an alternate site, if, in their judgment, such an alternate would have overall advantages over a Chicago location.

Since ACM has its offices on the fourth floor of the Newberry Library, Mr. Hayward felt strongly that the Periodical Bank should also locate in the Newberry. Several locations within the Library were considered. ACM

has been located in the Newberry Library for five years and its relationship with the director and his staff has been more than incidental. ACM with Newberry operates a one semester Newberry Library Seminar program for its member students. Evidence of the good will between these two organizations was revealed when Newberry offered a 3,606 square foot section on the fourth floor adjacent to the ACM offices. This site was enthusiastically accepted by ACM and work was begun in August of 1968 to make it ready for our operation.

The original agreement with regard to this space, as set down in a Memorandum dated July 3, 1968 from Mr. Hayward to Mr. Lawrence W. Towner, Director and Librarian of the Newberry Library, is as follows:

1. The Stack area directly west of the ACM offices -- approximately 3,600 square feet -- may be thought of as being divided, by pillars, into three sections, approximately 1,200 square feet each.



2. ACM will lease Section A for a ten month period beginning September 1968 at $3.25 per square foot (until June 30, 1969). At the same rate that will be applicable to the presently occupied space for the second five-year lease as provided in our present leasing arrangement, it will (if a price can be agreed upon) lease this same area (Section A) for the five year period beginning July 1, 1969. [The lease rate became $3.55 per square foot.]

3. The Newberry Library will agree to move the books from Section A at its own expense.

4. ACM will pay for:

   a. the opening of a doorway between its own quarters and Section A;

   b. the erecting of a wire partition between Sections A and B;

   c. the supplying of any additional necessary lighting;

   d. the purchase of the stacks in this area (or the supplying of acceptable and properly lighted stacks to the Newberry Library in lieu of the stacks now in Section A);

   e. the installation of Newberry stacks in another part of the building, with lighting conditions comparable to that in the stack area which ACM would take over;

   f. the opening of a window area in Section A.

5. ACM will also have an option to lease Section B for at least as much as (and no less than) a twelve month period beginning no earlier than January 1, 1969, at the square footage rate of $3.25 up until July 1, 1969, and then at the same rate as negotiated for other ACM leased quarters thereafter.

6. ACM will:

   a. pay for the moving of Newberry books in and out of Section B;

b. rent shelving for the period of ACM's use, or buy it if ACM intends to stay in Section B for an indefinite time;

c. give a ninety day notice to Newberry of intent to use Section B;

d. pay for the wire partition between Sections B and C;

e. pay for additional lighting, if necessary;

f. pay for the opening of a window in Section B, if necessary.

The following details of this memorandum were corrected and updated in a memorandum dated October 7, 1968, from Mr. Lyders and Donald W. Krummel, Associate Librarian of the Newberry to Mr. Hayward and Mr. Towner:

1. The measurement of the footage in item 1 should be corrected. Space A now covers approximately 1600 square feet (actually 1,628) and space B about 800 square feet (actually 786).
2. In September, 1968, the beginning date agreed on in item 2, the space was cleared out by Newberry but was not useable by ACM.

It wasn't until November, 1968 that the space was ready for occupancy. When operation began, in January, 1969, 2,414 square feet was occupied, including eight rows of double faced shelving and one row of single faced shelving, or a total of 220 single faced 90 inch high bays, about 4,620 linear feet of shelving.

The summary cost for shelving and room construction and decoration is broken down as follows:

1. Shelving purchased or exchanged with Newberry, 68 double faced units. Carleton College shipped 71 double faced sections of standard shelving and 15 double faced sections of newspaper shelving to the Newberry Library, which was exchanged for the shelving already installed in the

space occupied by ACM. Missing items from this Carleton shipment made the exchange even, excluding installation. Carleton's stacks were valued at $4,384, from which $284 was deducted for missing parts. $792 was credited to Carleton for the newspaper stacks. Installation charges came to $1,360; i.e. 68 units at $20 per unit.

Microfilm shelving was purchased from the Shelco Company in Wisconsin. This comprised eleven units each containing 17 drawer type shelves. The complete section measures 22 feet 8 inches by 48 inches by 90 inches. It will hold 29,172 35 mm microfilm boxes, or about 2,800 linear feet of microfiche shelving. Its cost installed was $6,295. This type of shelving was chosen rather than the standard microfilm cabinets because the compact shelving is much less expensive, and occupies much less space. In a space comparable to that taken up by the compact shelves, the cabinets would hold only 9,792 boxes. The space occupied by these 9-drawer shelves would be about 26 feet by 28 inches by 51 inches; i.e. 16 9-drawer cabinets, at a cost of about $4,750. In order to have the capacity of the compact shelves we would have to have at least 47 of these cabinets, at a total cost of about $13,912.

The total cost expended by ACM for shelving as of the end of fiscal year 1968-69 was $7,285. About $990 of this was for labor and shipping.

2. The room Newberry vacated for the Periodical Bank was used by them for storage of their library materials. Several major changes, therefore, had to be made in the room before it could be used for the Periodical

Bank's operation. A door was cut in the wall to connect the ACM offices with the Periodical Bank; four windows were opened (having been boarded over by Newberry some years earlier); the room was painted; lighting fixtures were placed; an office was built for the Director; draperies were placed on the windows; and electrical outlets were placed for our equipment. The total cost of these items was $8,275.

Other equipment purchased includes one 3M 400M Reader-Printer and a 3M 209 Copier. The purpose of the latter machine was to give us the capability of making copies of pictures, particularly half-tones, which this machine does quite well. In fact we have had very little call for this, and as the Bank gets more and more microfilm this machine's value will be considerably decreased. The Periodical Bank agreed with ACM to let them have free copy from our machines in exchange for the services we get from them - bookkeeping, as well as other office help at times. The 209 Copier, located in the ACM office, is thus used primarily by the ACM staff. The cost of the 400M Reader-Printer was $2,185. This price includes an 18 month maintenance agreement, 5 lenses, and a microfiche adapter. The 209 Copier cost $1,414, including an 18 month maintenance agreement and a stand. The $9,138 expended in the fiscal year 1968-69 accounts for the office equipment purchases necessary to put the Bank into operation. The balance (less the two machines mentioned above) is $5,539, which covered such items as the desks and chairs, typewriters and files.

Major rental equipment includes a 33 ASR Teletype and the Xerox Microprinter. The first year cost structure for the Microprinter was as follows:

Minimum monthly charge (including 1700 copies) $160
1701-3500 copies $ .05 each
3501- copies $ .03 each

Selection of Periodical Bank Holdings

A major question at the outset was, what titles are to be held in the Bank. From the earliest statements and discussions, it was agreed that each library would submit titles independent of the other libraries. Thus the statement, "if even one college disposed of a substantial paper file and recommended it to the ... Bank, the ... Bank would acquire it."

Titles, therefore, were chosen by each library from its own collection and submitted to the Bank in three categories:

Category 1. Titles with holdings from your library you do not want held in the Bank, but wish to sell for credit towards the $50,000 commitment.

Category 2. Titles with your entire holdings that you do want held in the Bank, or that the Bank may sell if it already has a copy. These titles also count towards the $50,000. If they are held in the Bank, 50% of the current market value (i.e. 50% of the price you would pay if you wished to purchase them on the market) is assigned to them. This figure was derived from the fact that when a dealer bids on a group of titles he will ordinarily bid half of what he feels he can get for them.

Category 3. Titles with a portion (say all but the most recent 1 year, or 5 years) of your entire holdings that you want in the Bank, or that the Bank may sell if it already has a copy.

Categories 2 and 3 both refer to titles to be held in the Bank, and the Bank would obtain a current subscription for titles in both, on the theory that eventually it would carry a complete file. There is, however, an important distinction between the two. It was agreed that the Bank would try to fill in missing volumes from sets submitted from the member libraries, assuming the set was fairly complete when submitted, or that microfilm was available. If, as in Category 3, some of the set was held at the submitting library, the Bank would not then attempt to complete the set since eventually the library would be submitting the remaining volumes. If microfilm was available for the complete set, however, it was purchased and the Bank would carry a complete file from the outset. If one library gave up its file more completely than another (which perhaps held the most recent five years) the Bank would have a complete file from the outset. However, if the Bank could not fill in the file in the above ways, its holdings would show a gap, decreasing annually as the library who originally submitted the Category 3 title relinquished its volumes.

. Category 1 titles were submitted to the Bank for two reasons: 1. the Bank acts as the selling agent, and 2. the Bank could use these volumes to fill in gaps on category 2 and 3 titles submitted by other libraries.

All three categories were to be submitted to the Bank on 3 X 5 cards, with the category number in the upper right hand corner and the title and holdings centered in the usual place. Since it is important when selling,

the holdings were to be designated as bound (B) or unbound (U) with both volume numbers (issues if incomplete) and years following.

A fourth category was added which allowed the libraries to submit titles they wanted the Bank to carry, but for which they had no holdings. These titles were, for the most part, placed in a desiderata file to be checked against similar requests from other libraries. As money was available and as requests mounted many of those titles were selected for addition to the Bank.

Lists were worked from July through December, 1968 with some carry-over into the early Spring of 1969. Boxes of periodicals began to arrive in November, 1968. Approximately 22,000 volumes were checked in and shelved from the last week in November through February, 1969.

All category two and category three items were checked in the UNION LIST OF SERIALS or NEW SERIALS TITLES for proper entry, title changes and cessation date if applicable. Those titles that were still being published we submitted to the subscription agent, Stechert-Hafner, in September, 1968 for a current subscription.

A second group of titles was submitted to the Clark Subscription Agency in December. All subscriptions were placed to begin with the January, 1969 issues. As further lists were processed, titles for subscriptions were placed with the Clark Agency. A total of 1,501 current subscriptions were placed during the first fiscal year. But because of cessations, cancellations and issues not arrived, this dropped somewhat so that at the end of December, 1969 we listed 1,458 titles in our second edition printout.

The "Micro-Bank" Concept

Since the Bank was to be, as much as possible, a Microfilm collection, each title on the lists received from the member libraries was checked against the GUIDE TO MICROFORMS IN PRINT for microfilm availability. Only 16mm or 35mm film, or microfiche was purchased, no opaque microcards are used. Although positive film was preferred, negative film was accepted in some cases. The Xerox microprinter is set for positive film, and the 3M '400M' Reader-Printer handles the negative film, so the Bank has the capability to utilize both.

By far the greatest amount of microfilm was purchased from University Microfilms; but orders were sent to a total of sixteen companies.

It was thought during the Periodical Bank planning stage that commercial microfilm would be available for a very substantial portion of the Periodical Bank's collection. Early planning figures assumed that microfilm would be available in such quantity that $440,000 of the $500,000 commitment was to be used to purchase commercially available periodical backfiles in microform (with the remaining $60,000 to cover operating expenses for the first year). These funds were to purchase "a minimum starting collection of 2,000 full-run microfilm backfiles..."

As it happened, only about forty percent or less of the titles submitted for inclusion in the Bank were available on the commercial microfilm market. Several consequences ensue from this:

1. The original $500,000 capital investment cannot be in fact $500,000, since all paper cannot be sold. As of January, 1970, approximately $171,000 in cash has been received (or bid on), but about $98,000 has been

credited to the member libraries for paper files held in the Bank. If we can assume that the remaining $231,000 yet to be received from the members will be in the form of cash from periodical sales, the total capital received will be $402,000. (From this about $120,000 will have been used to set up and operate the Bank for the first two fiscal years, which leaves a total of $282,000 in cash reserves.)

More realistically, however, we should assume that a certain proportion of the yet to be realized $231,000 will also be utilized for crediting the members with backfiles held in the Bank. Assuming a similar proportion, derived from the situation with the first $269,000, where $98,000 was put down as credit for backfiles held, or 36 per cent, $83,000 will be for credit of backfiles and $148,000 will be cash. Thus, assuming the above figures will hold and the members will each reach $50,000 by July 1, 1970, the cash reserves of the Periodical Bank as of July 1, 1970 will be $199,000. This figure may be increased if one chooses to assume a higher proportion of the subsequent titles from the members will be sold rather than held in the Bank.

2. The Periodical Bank requires shelving to store the paper backfiles it must hold. Current shelving will perhaps be sufficient; but it is because such a great portion of the titles submitted for entry into the Bank are not available on microfilm that it cannot assume a storage function. The titles held in the Bank in paper must be titles that are used by its members. If a title with a sizeable paper backfile is not used - and the statistics generated over the next two and one-half years will indicate which titles these are - the member who submitted it must either take it

back (which is not suggested, since they are not using it) or allow it to be sold. The only other option is to get it on microfilm somehow; but, still, there is no reason to keep it even on microfilm if it is not being used. Storage of material must be construed a function of the larger research libraries, not a function of the college libraries - which should have useful and dynamic collections only.

3. There is a constant need to monitor the collection for the availability of further microfilm. This also means the selling of periodicals will be a continuing process. There are two ways to handle the conversion of paper files to microfilm, if commercial microfilm is not available:

   a. It can be sent out and filmed by a local company. The subsequent selling of the file should cover or somewhat exceed the filming cost, if you can get it done for about $ .03 1/2 per exposure. The Micrecord Sales Corporation has done some filming for us at this price.

   b. The title can be sent to the Micro Photo Division of the Bell and Howell Company. They will then check copyright and the commercial value of filming it. If they decide to film it ACM will get a microfilm copy, plus their paper file, and the whole venture will have cost us nothing.

   The only complication with both of these plans is that the material must be out of the Bank during the filming, therefore, it must be done at a suitable time.

4. Many of the paper backfiles, if incomplete, cannot be filled in. The Bank does not have sufficient funds to fill these files, nor does it have

the shelf space for it. Under the original plan the Bank was to have complete backfiles, but on microfilm. Since microfilm is not available, if these files remain in the form of paper, they must also in many instances remain incomplete. This is also another reason the collection must constantly be monitored. Each time lists are submitted from the member libraries, the holdings must be checked against the Bank's current holdings for possible additions to our incomplete files. Revised microfilm catalogs should also be checked against the holdings.

Acquisitions and Entry of Periodical Bank Holdings

The microfilm that was ordered began arriving in late November of 1968, with the main portion coming in December and January, 1969. During the first fiscal year we checked in over 12,000 microfilm reels and over 46,000 microfiche.

This volume of film arriving within such a short period was, in itself, a complicating factor, since at the time we had but a staff of two, the Director and his assistant, Irma Lucht. The Director was handling the boxes of paper backfiles while Miss Lucht checked in the film. We had earlier typed visible file cards for all titles that were active and filed them into our visible files. Thus, as each title was checked in, its holdings were entered in the file and it was assigned a shelf list number. The first title on microfilm to be checked in was assigned number M-1, and the first paper file that was checked in was assigned P-1. The microfilm was shelved in the microfilm shelves and the paper shelved

on the regular shelves. If one title was part on film and part in paper, it received two numbers and the two portions were shelved in their respective locations.

Inactive titles were entered on 3 X 5 cards and filed in a catalog card drawer, separate from the active titles. Since there is no room on the visible file cards for the bibliographic history of a title, and we do not want to utilize expensive visible file holders for the necessary cross references, title changes are handled in the following manner: the next to the latest title is a main entry in the inactive file drawer; all pertinent bibliographic information is typed on this card; cross references are made to this title within the inactive file drawer if there were earlier changes in title; a final note saying "continued by ..." is entered on the inactive file drawer card to connect it to the latest title in the visible file; on the visible file card is the statement "continues ..." which connects this latest title with the earlier one.

This may sound unduly complicated and unnecessary, but in fact it is the logical way to handle the material from the acquisitions standpoint. Thus each time we get a title list from a member college we have readily available the information if some of the entries are for runs that later came under a different title. Our cross references lead us to the appropriate entry, which will then give the necessary bibliographic information. If we did not have our files arranged in this way, each time we received a title that we did not find in our holdings we would have to check for title changes in the UNION LIST OF SERIALS and NEW SERIALS TITLES.

The holdings in the visible file represent the complete holdings the Bank has for the particular title, whether there has been a title change or not. Thus the holdings for any title can be checked in one of two locations depending upon whether it is currently active or inactive.

Periodical Holdings List, First Edition

The first edition of the Periodical Bank Holdings list, published in May of 1969, was produced through the combined efforts of the Periodical Staff and Hillis Griffin and his staff at Argonne National Laboratory. We worked out with Mr. Griffin the format for the listing which was designed to conform to the Argonne Serials List for which there already was an existing program. Code sheets were designed and printed. Sally Martini, a librarian enrolled in the Ph. D. program at the University of Chicago, was hired to work twenty hours a week to set up proper entries and to code the list for keypunching. The Keypunch Farm in Evanston did all of the keypunching. Printing from the multilith masters was done by the Carnegie Letter Service which also collated and bound the list ready for use. All the computer programming and computer printing was done at Argonne.

The librarians wanted enough copies of the list printed for each faculty member to have one copy, with several copies for each library. However, once it was realized that a second edition would soon have to replace this initial one, the librarians agreed to accept a reduced number of copies, to a maximum of 25 per college. The cost of this list printing was high; and since the COSIP grant would enable the libraries to order

any periodical article they needed and a second list would be ready in the Fall of 1969 (actually it was not sent out until January, 1970) after our initial acquisitions had settled down to a controllable level, they decided they really did not need the original quantities suggested.

In the Fall, when it was clear that the second edition was not going to be ready until January of 1970, the librarians requested ACM print up enough of the old list so that each college would have 25 copies.

BUDGET FOR FISCAL YEAR 1968-69 - ACTUAL EXPENDITURES

Portions of this budget (see following page 28a) were discussed in detail earlier in this report (under the heading Location and Equipment).

The Periodical Bank budget for its first fiscal year is in two parts, the $270,000 Title IIA Type C Special Purpose grant from the Office of Education and the Periodical Bank fund, accrued through the sale of periodicals.

The Bank expended a total of $164,489 during this fiscal year, $67,091 for equipment and operating expenses and $98,398 in credit to the member libraries for material deposited into the Bank. The sum of these two figures, $165,489 reduced the $500,000 of the original commitment to a balance of $334,511.

THE FIRST OPERATIONAL YEAR - JANUARY THROUGH DECEMBER, 1969

Personnel

When we sent out our first filled request, to Lawrence University, on January 7, 1969, our staff consisted of the Director and his assistant. Although we had not budgeted for additional clerical help we quickly

EXPENDITURES FOR FISCAL YEAR 1968-69

PERIODICAL BANK
AND
U.S. OFFICE OF EDUCATION GRANT AWARD

Account Number	Item	Budget	Expended	%Expenses to Budget	Budget Balance
7-1	LIBRARY MATERIALS				
a	Microform Backfiles	$235,700	$178,693	76%	$57,007
b	Current Subscriptions in Microform: 1000	3,500	4,755	136%	(1,255)
c	Back Volumes in Paper	8,800	36,647	416%	(27,847)
d	Current Subscriptions in Paper: 1500 titles	20,000	48,424	242%	(28,424)
e	Books & Reference Material	2,000	1,481	74%	519
	TOTAL	$270,000	$270,000	100%	-0-
	ACM EXPENSE				
7-2	Salaries				
a	Salary-Director	$ 13,500	$ 12,989	96%	$ 511
b	Salary-Secretarial	4,821	6,718	139%	(1,897)
c	Fringe Benefits	2,126	2,708	127%	(582)
7-3	OTHER EXPENSES				
a	Travel	$ 2,300	$ 2,559	111%	(259)
7-4	OFFICE EXPENSES				
a	Office Equipment	$ 5,549	$ 9,138	165%	(3,589)
b	Stacks: Book & Microform	11,843	7,285	62%	4,558
c	Remodeling & Reconstruction	5,221	8,275	158%	(3,054)
d	Insurance	1,500	699	47%	801
e	Office Supplies	303	1,263	417%	(960)
f	Rent	3,385	5,245	155%	(1,860)
g	Mailing supplies, Machine rent	2,499	989	40%	1,510
h	Xerox	4,186	1,509	36%	2,677
k	Bank Holdings Printout	2,000	2,735	137%	(735)
m	Paper Backfiles (Credited)	98,398	98,398	100%	-
n	TWX	5,555	4,979	90%	576
	TOTAL	$ 163,186	$ 165,489		(2,303)

realized we would not survive without adding at least one clerk. Johanna Brown began February 7, 1969 giving us the necessary help with periodical check-in, filling requests and teletype operation.

Sally Martini, who performed the necessary operation to produce our first holdings list was hired on a part-time basis. She was paid with Bank Holdings Printout funds.

With the COSIP grant, which is discussed in detail later in this report, further staff was added in September of 1969. Julia Woods, a librarian, in charge of the Periodical Bank operation and personnel; two more clericals and a part-time coder for the second edition of the holdings list.

Unfortunately, our coder left us before the list was ready, so the final coding and corrections was taken over by the Director.

The Director, his Assistant and the Librarian had clearly defined job operations. Johanna Brown took over all periodical check-in, claiming, teletype answering and statistical tabulation on use. Another clerk began in September to handle all outside service and mailing operations. This left one clerical to handle all copying.

Based on work load figures from the first six months of operation, it was found that one clerk could handle forty requests each day, as a maximum figure for an efficient clerk. This includes all operations, from recording the receipt of the teletype message to mailing the material to the member library. Of course there are days when requests fall well below this forty level, for example from December 15 through the end of 1969 the averagg was closer to ten per day. However, the overall average

from September through December was fifty-six, with some days going over one hundred. Discounting vacation periods the average was closer to 80 each day. Since we must process all requests received on the same day they are received (this policy was changed in January, 1970 to 24-hour service rather than "same day service," which has spread out the work load to make it much more even than it was under the previous system), there were many days when everyone was working on the requests and on nothing else.

This problem was resolved in 1970 by adding two half-time positions, or one half-time and two quarter-time people. Details on this situation will be covered in the subsequent report, for fiscal year 1969-70.

Use Data

The average number of requests received per work day from January through June of 1969 was thirty-nine. Requests dropped off considerably from July through the third quarter of September. Then they picked up, with the resumption of classes, to average fifty-six per day through December, 1969.

Data on use by member library during the first six months of operation is displayed in the following table.

LIBRARY	NO. PAGES COPIED
Beloit	6,023
Carleton	522
Coe	1,776
Cornell	2,477
Grinnell	969
Knox	882
Lawrence	4,361
Monmouth	1,722
Ripon	4,713
St. Olaf	2,617
TOTAL	26,062

Data on requests filled from both the Bank's holdings and outside service, from September , 1969 through February 27, 1970:

LIBRARY	REQUESTS FILLED
Beloit	678
Carleton	453
Coe	333
Cornell	1,085
Grinnell	239
Knox	304
Lawrence	837
Monmouth	498
Ripon	1,748
St. Olaf	327
TOTAL	6,502

Following is a list of titles which received ten or more requests during the period from January through August, 1969. The arrangement is by number of requests, alphabetical when two or more received the same number.

American Journal of Psychiatry	77
Childhood Education	58
Journal of Comparative and Physiological Psychology Journal of Nervous and Mental Diseases	46
Journal of Experimental Psychology	43
America American Journal of Orthopsychiatry	40
Journal of Psychology	39
Psychological Review Television Quarterly	38
Chemical Society. London. Journal	37
New Republic	33
Review of Economics and Statistics	31
English Studies	30
Economist Psychonomic Science Sociology and Social Research	29
New Leader Spectator (London)	28
Catholic World Journal of Abnormal Psychology Journal of Genetic Psychology	27

Poet Lore	25
Journal of Social Psychology Psychological Reports	24
Arion Business Week Classical World Journal of Biological Chemistry	23
American Philological Association.Transactions Journal of Bacteriology Philological Quarterly	22
Newsweek Notes and Queries Psychiatry Science Digest	21
American Journal of Psychology Problems of Communism	20
Modern Language Notes	19
American Journal of Agricultural Economics American Speech Esquire Isis	18
Architectural Record Contemporary Review ELH Journal of Clinical Psychology Journal of General Psychology Journal of Philosophy Science	17
Aviation Week and Space Technology Commentary International Labor Review Social Service Review	16
American Political Science Review Antioch Review Journal of Chemical Physics Journal of English and Germanic Philology Journal of Personality and Social Psychology Modern Language Quarterly School and Society	15

American Psychologist	14
Architectural Forum	
Behaviour Research and Therapy	
Christian Century	
Journal of Social Issues	
New Statesman	
Pacific Affairs	
Sociometry	
Animal Behaviour	13
Association of American Geographers. Annals	
Journal of Broadcasting	
Language Learning	
Literary Digest	
National Review	
Russian Review	
American Journal of Physiology	12
Biochemical Journal	
Burlington Magazine	
Classical Quarterly	
Explicator	
Mnemosyne	
Nation	
Nineteenth Century Fiction	
Poetry	
Scholastic Coach	
Science and Society	
Studio International	
Atlas	11
British Journal of Psychology	
Modern Philology	
Music Education Journal	
Psychological Bulletin	
Reading Teacher	
Social Research	
South Atlantic Quarterly	
Southwestern Social Science Quarterly	
Studies in Philology	
Twentieth Century	
American Journal of Economics and Sociology	10
Biochimica et Biophysica Acta	
Current Opinion (New York)	
Economic History Review	
Education Digest	
Journal of Conflict Resolution	
Journal of Experimental Biology	
Journal of Physiology	
National Geographic	
Senior Scholastic (Scholastic Teacher Ed.)	
Social Forces	
Stain Technology	

The above listing is not really useful in this format, but when we get this kind of use information listed by college, we will then have useful data. For instance, if one, or several of our members have found the AMERICAN JOURNAL OF PSYCHIATRY so useful, there is a point at which it would benefit them in both cost and service to their patrons to purchase the title themselves and no longer use the Bank's copy. Through continued evaluation of their titles they will find more that are used much less than this and therefore should be in the Bank, or are used rarely, in which case they most probably should be sold outright. The occasional interlibrary loan from a research library would suffice in the latter case. In this way, the member library will maintain a collection of "heavily" used titles, the Bank will hold those "less heavily" in demand, and rarely used items could be gotten from outside service.

As to what is "heavy" use and what is "less heavy" etc., the Center for Research Libraries study (see footnote on page 5) has outlined methods to determine this. An example is that if a title is used less than about six times a year and the subscription costs $20, the library will find it less expensive to get copy through interlibrary loan (i.e. from the Bank) than to hold it in their own library. As the subscription cost increases more usage is required for the library to justify keeping it on their shelves. Clearly then, titles which do nothing but gather dust do not deserve a place on the shelves of a college library. From an economic standpoint, it is poor library practice to have them there.

The second edition of the Periodical Bank holdings list published in January 1970, contains 1,778 titles. This represents the approximate number of titles that were known by the member libraries to have been available during our first operational year - January through December of 1969. From the data gathered on requests, 1,303 of these titles received at least one request during this period, representing just over 73% usage. This is good, and in some respects surprising, since it would probably have been thought that the colleges gave up from their collections a great deal of "weeded" material. Apparently this was not the case. They appear to have been very generous in their selection processes, giving up items they knew to be useful. The "weeded" titles (category one items) have in most cases been sold without regard to whether the Bank has a copy or not. The remaining 27% of titles held in the Bank that thus far have not been used, constitute what should have been at the outset sold as unused material. This, of course, will need to be done in the future, since it must be one of the tenets of the Bank's philosophy for title selection that it hold only those titles that show significant use. The question that must be asked in every case is: where is it most beneficial to have a title from the standpoint of cost and user activity, in the Bank, at the college library, or neither (for the little use it gets the occasional interlibrary loan from a research library would be sufficient).

College Science Improvement Program (COSIP)

Since the Bank was not able to get its first list of holdings out to the member libraries until late in May, 1969, and the only information on our holdings the libraries had up to that time was a typed listing of titles only, which the Bank carried on current subscription, a good many of these requests were for volumes we did not have. Thus we are able to use these data for filling in our files. And since our statistics were kept almost from the beginning by the particular year of a title requested, we have found it has not been necessary in all cases to purchase complete back-files, especially when it extends for many years and is not available in microfilm.

Through the grant received from the National Science Foundation, under section B of the College Science Improvement Program, we have been able to extend this idea even further. This grant, which began in September, 1969 and will run for about 3 years, to July 1, 1972, among other things, enable us to offer our member libraries what might be called an open service on periodicals. Each member has a list of the holdings held in the Periodical Bank - the latest was printed in January, 1970 - from which they may make requests. If they do not find a particular title in our list, or they find the title but the holdings are incomplete, they may still submit the request and the Bank will attempt to fill it by using the periodical holdings of three Chicago libraries - the Newberry, the John Crerar and the University of Illinois Chicago Circle Campus. We call this our outside service.

Through the NSF grant we have been able to keep computerized statistics, which are available to us at any time through remote access to the computer at the Illinois Institute of Technology, or through quarterly printouts, of three areas:

1. Requests by title, year and number of pages by college which were filled from our Periodical Bank holdings;
2. Requests by title, year and number of pages, by college, from titles in our list but not the particular volume requested. These we attempt to fill at one of the outside libraries, and we indicate whether we were able to fill it or not;
3. Requests by title, year and by college of titles not carried in the Periodical Bank. These also we attempt to fill at one of the outside libraries, and we indicate whether we were able to fill it or not.

From these statistics then we are able to learn:

1. Which titles are being used and which titles are not being used that are now in our holdings. If we hold a run in paper of a title which is not used, say after the period of the grant - or 3 1/2 years - we will then be in a position to consider deleting this title.

The Periodical Bank cannot afford to be a storage facility for extensive paper backfiles that are not used. At the present time we are using approximately 500 feet of Newberry shelving on the fifth floor for titles that have ceased publication and are in the category of being unused. We hope to keep in the Bank only those titles that are used;

or if stored, in the form of microfilm.

2. Which titles that are already in our list need further backfiles.

3. Which titles not in our list do we need to purchase, and how much of a backfile.

There are funds in the COSIP grant for the purchase of science materials only. The Bank's non-science materials are somewhat more extensive, since we have access to the Newberry Library's periodicals. Other non-science material must be purchased with Periodical Bank funds.

4. How many pages per month each college has requested from outside service and from our holdings, which include the Newberry holdings. From this we will be able to bill the members for copy costs.

A breakdown of the COSIP grant funds are as follows:

	THIRTY-SIX MONTHS	SUPPORT BY YEARS	
Personnel	$ 29,610	First	$ 65,100
Subscriptions	83,770	Second	$ 51,400
Equipment	10,070	Third	$ 42,900
Facility costs	15,528		
Office Operational Expenses	12,036		
Computer Rental	8,105		
Project Director's Travel	250		
TOTAL	$159,369		
Rounded To	$159,400		

BENEFITS TO MEMBER LIBRARIES OTHER THAN INCREASED HOLDINGS

The primary purpose of the Periodical Bank is to give the students and faculty access to a large number of periodicals which their individual libraries could not give them. As was stated earlier in this report, the libraries on the average have doubled their periodical holdings through the Bank, at a cost to each but a fraction of the actual cost for such an increase. Added to this are direct savings within each library resulting from the Bank's existence. Data has been gathered from the member libraries on this which is presented below.

1. Summary of Direct Cost Savings (without overhead or any indirect cost)

	Beloit	Carleton	Coe	Cornell	Grinnell	Knox	Lawrence	Monmouth	Ripon	St. Olaf
Reduced Binding	$125	-0-[1]	920	1350	880	119	180	—	1800	-0-[1]
Subs. Dropped	0[3]	$647	720	870	150	67	0[3]	—	0	250
TOTAL	$125	647	1640	2220	1030	186	180	—	1800	250

[1]Both Carleton and St. Olaf do minimal binding.

[2]Monmouth, because of moving into their new library, has been unable to gather data at this time.

[3]Beloit and Lawrence stated they have no plans to drop subscriptions, since they consider the Bank holdings as supplemental only.

2. Periodical Shelf Space Gained

Beloit

None reported at this time. They have a new building and do not currently have a space problem.

Carleton

Gained 1000 linear feet, representing 15% of their total periodical shelving. They also report no space problem.

Coe

Gained 600 linear feet, representing 25% of their total periodical shelving. They report that "this additional space has been fenced off and is used to store gift collections which have not yet been processed, and added to the general collection. It is also used for storage space and as a work area for the Serials Librarian."

Cornell

Gained 840 linear feet, representing 35% of their total periodical shelving. They report they have gained enough space to consolidate all their holdings in the periodical room (some were previously in basement storage), with enough room for five years of expansion. Also, by sending some of their microfilm to the Bank, they have put off the necessity of purchasing 3 more microfilm cabinets.

Grinnell

Gained 450 linear feet, representing a little over 7% of their periodical shelving. It has been a benefit, they said, since they needed further space for current acquisitions.

Knox

Gained 400 linear feet, representing 13% of their periodical shelving.

Lawrence

Gained 1680 linear feet, representing 25% of their periodical shelving. They stated that this added shelf space has been of real benefit, since they do have space problems.

Monmouth

Gained 800 linear feet. Space is no problem now since they have just moved into a new building.

Ripon

Gained 1000 linear feet, representing 15% of their periodical shelving. An obvious benefit, since space is a problem at Ripon.

St. Olaf

Gained 1967 linear feet, representing 22% of their periodical shelving. They stated this gain has been invaluable.

The above summaries of direct savings or benefits in each member library represent only a first look and then tell only a small part of the whole story. For example, Carleton in dropping 32 subscriptions, reports a cost savings of $647, or about $20 per title. These figures represent only the subscription price, and do not include overhead costs and labor necessary for check-in, claiming, marking, circulation, etc. If we were to figure these items into the cost savings the cost per title would run closer to $36, giving a total savings of $1152 for these 32 titles dropped. The same would be truefor the binding cost savings, since again the only cost figured is the actual binding cost.

SUMMARY OF LOCAL PROCESSING COSTS

The first two years of Periodical Bank activity are being funded from the $500,000 committment it is receiving from the member libraries - $50,000 each. These two years will use up approximately $120,000 from this initial $500,000. Beginning with fiscal year 1970-71, the remainder of the $500,000 initial capital investment will be invested and the Bank will be funded directly from the member libraries.

In addition to the operational costs at the Bank, however, the members must support the local processing involved to get their orders to the Bank. The teletype rental has been standard. The members began paying their rent July 1, 1969, which previously was paid by ACM. Thus during the first operational year members paid about $396 for teletype rental.

Message charges varied according to use; miscellaneous supplies per library were minimal, not exceeding $25 (except for St. Olaf which spent $119); and personnel varied at each library. Below is a summary of the message charges and the personnel costs experienced by the member libraries in processing requests from the Bank between January and December of 1969.

1. Message Charges - January through December 1969

Beloit	$ 183
Carleton	40
Coe	40
Cornell	164
Grinnell	61
Knox	90
Lawrence	300
Monmouth	192
Ripon	480
St. Olaf	133

2. Personnel Costs (added personnel only) - January through December 1969

Beloit	$ 588
Carleton	580
Coe	260
Cornell	0
Grinnell	135
Knox	0
Lawrence	0
Monmouth	0
Ripon	0
St. Olaf	0

These figures represent costs for personnel added to the existing staff. If all the work was handled by existing staff the cost is assumed to have been abosrbed by the library. Beloit, Monmouth, and Ripon, however, do anticipate they will need to add staff in the future.

3. The Bank established a procedure for obtaining articles not in its holdings beginning in September, 1969. Some libraries absorbed their outside service costs whereas others passed them on to the patron. It is summarized as follows:

Beloit	patron pays
Carleton	no estimate
Coe	patron pays
Cornell	patron pays
Grinnell	$16.40
Knox	$97.10
Lawrence	patron pays
Monmouth	$189.00
Ripon	$30
St. Olaf	patron pays

4. A summary of these four local processing costs is as follows:

	Teletype Rental	Message Charges	Personnel	Outside Service	Total
Beloit	$ 396	$ 183	$ 588	-	$1167
Carleton	396	40	580	-	1016
Coe	396	40	260	-	696
Cornell	396	164	0	-	560
Grinnell	396	61	135	16	608
Knox	396	20	0	97	583
Lawrence	396	300	0	-	696
Monmouth	396	192	0	189	777
Ripon	396	480	0	30	906
St. Olaf	396	133	0	-	529

SUBSCRIBING MEMBERS

From the beginning there was the idea that the Periodical Bank would offer its service to users other than the ACM College Libraries.

The ACM Librarian's Board meeting of April 25, 1969, saw the first action taken on this idea by passing a recommendation to the ACM Board of Directors that the Periodical Bank offer its service to other interested libraries. Subsequently, following committee meetings and recommendations, the Board of Director's final decision with regard to associate members as stated in the minutes of the Fifteenth Meeting, is;

> ...that an annual subscription fee of $2,000 be charged to outside subscribers which will include the same access to periodicals - both inside and outside of our own Periodical Bank holdings - as is available to any of our own ACM colleges and that the copy charge to sbuscribing members be $1.00 for the first page and $.20 for each additional page. These charges also cover mailing charges. Both the annual subscription fee and the copy charges shall be reviewed and subject to annual revision so that within three years the cost to the subscribers will be equal to the cost to ACM member colleges.

This is the way the matter stands as of this writing. Because of the concern over copyright, which was always discussed along with subscriber fees, no attempt during the Bank's first operational year, 1969, was made to take on subscribing members.

COPYRIGHT

Fair use of copyrighted library materials is the basis of the Periodical Bank's copying operations and was considered from the early planning stages to be sufficient justification to make the "bank concept" a reality. To provide library materials to ten members on a rapid access basis, photocopy is the primary criterion - an absolute necessity. If the original material were mailed out there could be no rapid access; other users would have to wait until the material they needed was again available. Furthermore, without photocopying, microfilm would prove a very unsatisfactory storage format, since as many as five and ten and more volumes are often found on one reel. The request for one article from one of these volumes would necessitate removing from our files a large segment of the holdings of one title. Microfiche, of course, would work much better in this case, but there is just not enough microform available in the fiche format to set up a bank of titles such as we now have at ACM. The ACM Periodical Bank, then is committed to photocopying.

Recognizing then that we do make photocopies of our materials to fulfull our library function, we must also recognize that there is an existing copyright law and a judicial doctrine of fair use. To comply with them in a manner compatible with the library profession's official ruling on photocopying[4] and in accordance with the ALA/CRL proposed amendment to S.543 Section 108[5], the ACM Periodical Bank has taken the action as stated below.

In a memorandum from ACM dated January 20, 1970 to all ACM Librarians and Interlibrary Loan Departments, the following points were put forth as rules to follow when receiving requests from and distributing copy to the requestor, and when requesting copy from the ACM Periodical Bank:

> The ACM Central Library will supply one copy of an article or part thereof, from materials held in its collection, or from materials made available to us from the Newberry Library, John Crerar Library and the University of Illinois Chicago Campus Library, to a bona fide user of a member ACM college library, provided the request for copy is made through the member college library or in person at the Central Library, and provided that:
>
> 1. Such copy is not made for the purpose of increasing the collections of the member library; and
>
> 2. The library had no notice that such copy would be used for any purpose other than study, scholarship or research; and

3. With respect to the single copy made by the library at the request of a user, the library inserts prominently on its order form and displays prominently at the place at which orders are accepted a statement to the effect that the user is liable for possible copyright infringement which may result from his use of the copy.

4. The ACM Central Library will not make multiple copies of a work; nor will it copy complete works unless a written statement accompanies the request to the effect that it is not commercially available through normal trade channels or that copyright does not apply to the work in question.

In accordance with the desire of the Library Board expressed at the January 22, 1970 meeting, the following statement was submitted to the ACM Librarians in a memorandum dated January 26, 1970. To express item three above more precisely:

> It is understood that copy of articles received that are subject to the laws of copyright are made at the request of the user and are solely for his study, scholarship or research. The requestor thus assumes responsibility for questions of copyright that might arise from the use of this material.

The librarians were instructed to insert this statement prominently on the order form and to display it prominently at the place at which orders are accepted.

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[4] "At the present time, the library profession's official policy on photocopying is still that set out by the Joint Libraries Committee in 1961." (Mrs. Edward Shazowcha, "Photocopying, Copyright, and the Librarians", American Documentation, vol.19, April 1968, p.129)

From Edward G. Freehafer's "Summary Statement of Policy of the Joint Libraries Committee on Fair Use in Photocopying," published in vol.55,

February 1964, of Special Libraries, on page 105; the findings of the Committee are quoted as follows:

1. The making of a single copy by a library is a direct and natural extension of traditional library service.

2. Such service, employing modern copying methods, has become essential.

3. The present demand can be satisfied without inflicting measurable damage on publishers and copyright owners.

4. Improved copying processes will not materially affect the demand for single copy library duplication for research purposes.

With the following recommendation to libraries:

> The Committee recommends that it be library policy to fill an order for a single photocopy of any published work or any part thereof. Before making a copy of an entire work, a library should make an effort by consulting standard sources to determine whether or not a copy is available through normal trade channels.

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[5]ALA/ARL proposed amendment re the reproduction of works by libraries and archives, which would amend S.543 Section 108 to read as follows:

Sec. 108

Limitations on exclusive rights:

Reproduction of works by libraries and archives.

(a) Notwithstanding the provisions of Section 106, it is not an infringement of copyright for a library or archives whose collections are available to the public or to researchers in any specialized field, to reproduce or permit to be reproduced in any manner no more than one copy or phonorecord of a copyrighted work or portion thereof

which is or was in its collections and to distribute such copy or phonorecord if there is no purpose of commercial advantage and if-

(1) such copy or phonorecord consists of a facsimile of a manuscript, document, or other unpublished work, and is made for purposes of preservation and security, or for deposit for research use in any other such library or archives; or

(2) such copy or phonorecord of a published work is made solely for the purpose of replacement in the library or archives' own collections of a copy or phonorecord that is physically damaged or deteriorating, and the library or archives has determined that an unused replacement cannot be obtained readily and at a normal price from commonly-known trade sources; or

(3) such copy or phonorecord is made by, or at the request of, a user of a collection of the library or archives, including a user who employs a reproduction device located on the premises of the library or archives or a user who makes his request through another library or archives, if-

(i) such copy or phonorecord is not made for the purpose of increasing the collections of the library or archives but becomes the property of the user; and

(ii) the library or archives had no notice that such copy or phonorecord would be used for any purpose other than study, scholarship or research; and

(iii) with respect to the single copy or phonorecord made by the library or archives at the request of a user, the library or archives inserts prominently on its order form and displays prominently at the place at which orders are accepted an appropriate warning of copyright; and

(iv) with respect to the single copy or phonorecord made by a user employing a reproduction device made available by the library or archives on its premises for unsupervised use, the library or archives displays prominently on or adjacent to such device an appropriate warning of copyright.

(b) Subsection (a) (3) shall not excuse the user from any liability for copyright infringement which may otherwise result from his use of the copy or phonorecord. (Wilson Library Bulletin, January 1970, p.598-9)